

From: Barton Varney <bvarney@stny.rr.com>
Sent: Friday, February 19, 2010 9:20 AM
To: secretary <secretary@CFTC.gov>
Subject: Proposed foreign currency regulation changes

Dear Secretary CFTC,

There is one change to the regulations that I find punitive. Reducing the exchange leverage from 100:1 to 10:1 in one jump. This will devastate the smaller traders who wish earn a small profit in the currency market place. It drives trading into the hands for the rich and powerful.

If your goal is to reduce risk why not take a less punitive route. Instead of a massive one time change make it a graduated change. Change your computation ratio; for every 10,000 units of currency reduce it by 10. i.e. 100:1 then 90:1 then 80:1 etc. (starting at the 10,000 unit level) By the time one reaches 100,000 units the ratio is 10:1. This way capital is increased proportionately as risk goes up. This gives the retail traders a reasonably level playing field with the wealthy.

Please don't penalize me for the wrong doings of weathy and powerful individuals who let greed get ahead of risk. The measured approach I propose puts the retail trader on notice that with added risk more capital will be needed. In your discussions consider the affects on the small trader. Please give me a chance to contiue doing what I enjoy and provides a little profit along the way.

Sincerely,

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